

MAIN ACTORS OF THE ROMANIAN PUBLIC ADMINISTRATION REFORM

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Rezumat:

Acest articol este dedicat reformei administrației publice și propune o serie de măsuri pentru întărirea eficacității procesului de reformă prin intermediul modificării sau creării de noi structuri instituționale și proceduri la cel mai înalt nivel. Articolul cuprinde un scurt istoric al evoluției cadrului instituțional și legislativ al reformei administrației publice din România, o prezentare a rolului principalilor actori implicați în procesul de reformă al administrației publice și în final, el prezintă o nouă viziune cu privire la managementul reformei.

Cuvinte cheie: reforma administrației publice, capacitate administrativă, cadrul instituțional și legislativ al reformei, actorii reformei administrației publice, managementul reformei

Abstract:

This article is devoted to public administration reform and proposes a series of measures to strengthen the effectiveness of the reform process through the modification or creation of new institutional structures and procedures at the highest level. The article includes a brief history of the evolution of the institutional and legislative reform of public administration in Romania, an overview of the main actors role involved in the process of the public administration reform and finally, it presents a new vision of management reform.

Key words: public administration reform, administrative capacity, institutional and legal framework of the reform, public administration reform actors, management reform

JEL Classification: Z00

1. BRIEF HISTORY OF THE EVOLUTION OF THE INSTITUTIONAL AND LEGISLATIVE FRAMEWORK OF PUBLIC ADMINISTRATION REFORM (PAR)

Public administration reform is an all embracing concept; it contains all aspects of the public sector organization including the overall architecture of ministries and agencies , the organizations , systems structures , processes, incentives , as well as the arrangements for maintaining governance over these arrangements and reforming the system from time to time. One side , administration refers to the way in which the coordination of public sector actions is formally authorized, ordered and organized. On the other side, administrative capacity is an assessment of the functioning of the hierarchy of officials in the public service, and this, of course, is just one element of wide-ranging PAR. Nevertheless, the administrative capacity problem is crucial for reform and state's functioning , but itself it will not be effective in delivering the results expected from a modern administration(Profiroiu, 2005).

Creating a modern and effective public administration, closed to the citizens, was one of the priorities included in the timetable for preparing Romania's accession to the European Union. Recommendations formulated in the European Commission country report for 2003 referred to the need to strengthen administrative capacity, both in terms of institutional structures and the formulation of policies and strategies, redefining mechanisms of implementation and monitoring and last but not list, strengthening the capacity management in decentralized implementation responsibilities.

Literature argues that public administration reform in Romania began immediately after the change of political regime established by the revolution of December 1989. Thus, by issuing decrees and laws of FSN¹, then CFSN², of which the power structures of the communist regime were abolished, the process of reform of public administration in Romania have started. These were followed by decrees and normative character, and then by the adoption by Parliament of the Constitution of 1991, approved by national referendum, which created the foundations for the rule of law in Romania and the application of democratic principles³.

At the same time, it was adopted and the law of local public administration (no.69/1991), the law of local elections (no.70/1991) and other regulations, which triggered an extensive process of administrative decentralization.

¹ National Salvation Front

² Council of National Salvation Front

³ Democratic principles: the separation and balance of powers, of pluralism and political plural-party, local autonomy and decentralization of public services and the rule of law

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In 1993 within the Government it was established the Department for European Integration operating under the Prime Minister directly. Since 1996, this was headed by a Minister Delegate to the Prime Minister. This department was coordinating national policies in the field of European integration and acted national aid coordinator. Also, it was established an *Inter-ministerial Committee for European Integration*⁴, Executive Chairman being the Minister Delegate to the Prime Minister.

The interface between European institutions and administrative structures from Romania regarding European integration was provided by the Department for European Integration within the Government. The Department developed the *National Strategy for the preparation of Romania's accession to the European Union*, based on sectoral strategies, in line with the government program. Other matters relating to the department activity concerned the harmonization of laws, by setting priorities according to the Association Agreement and to the program of economic reform and having a realistic approach to achieving deadlines, by creating the institutional framework and mechanisms to ensure implementation of harmonized legislation.

For further specialization of the civil servants working in the sphere of European integration, public administration has benefited from the European Institute, a public institution under the Government and Parliament, which was established in 1998.

Between 1993 and 2000 a *Council for Reform* operated at the Government level, led by a minister, its activity objective being the reform of the central administration and public. The *Local Public Administration Department*, structure within the Government had as objective the local public administration reform.

In the years that followed until 2000, priority issues were all other, public administration being secondary. During this period, public administration did not worked to its expected performance, as a 'mechanism designed to organize and ensure enforcement of the political decision', and it was not in co-ordinance with the domestic requirements and especially, with the objective of European integration⁵.

As a result, in 2001 it was adopted a *Strategy for Accelerating the Public Administration Reform*. In the same year, it was created the *Governmental Council for Monitoring the Public Administration Reform*,

⁴ Organization, composition and functioning of this body are regulated by GD no.140/1995.

⁵ National Strategy for the Preparation of Romania's accession to the European Union, Snagov, 21 June 1995 and the Economic Development Strategy of Romania for Medium Term, Bucharest, 2000 submitted to the European Commission in Brussels on 20 March 2000

advisory body, without legal personality. The Council had the main development objectives and implementation strategies and programs to reform central and local public administration, at European standards.

The principles of reform process at this stage were, among others, the political and administrative functions separation; creation and consolidation of professional and politically neutral civil servants, the clear defining of the role, responsibilities and relationships between institutions; fair and legitimate administration; taking the decisions by the authorities which are closest to citizens or to the referred problem; decision-making autonomy, the transparency of the governance and other administrative actions; the simplification of administrative procedures; respect for the citizen, the delegation of competence and devolution of some services, the channelling of the interest for results based on efficiency, effectiveness and quality of services, the protection of individuals' rights (Romania Government, 2001).

The existence of an efficient and democratic administration is one of the most important criteria that define a country's modernity. In 2004, Romania has been officially stated that does not have such administration. This was concluded after three years of the strategy implementation. Practice has shown that many of the objectives and the laws passed were not respected and nor well-implemented, and new institutions have not fully fulfilled their mission, findings expressed several times in European Commission reports.

2. CURRENT INSTITUTIONAL FRAMEWORK OF PUBLIC ADMINISTRATION REFORM IN ROMANIA

In the process of reform, the main actors involved in the coordination, implementation and monitoring of reform measures are listed in below (Profiroi, Andrei, Dinca, Carp, 2005).

- **Prime Minister** - the role of coordinating the overall reform of Government and to delegate specific tasks to all ministers responsible.
- **The Superior Council for Public Administration Reform**, Public Policy Coordination and Structural Adjustment – responsible with strategies analysis of each ministry in part or in whole and for making suggestions to the ministries and recommendations to the Prime Minister; it was abolished and replaced in 2005 with a Permanent Inter-ministerial Council for public administration, civil service, decentralization, and local communities.
- **Ministry of Finance** - which develops and implements the Government's strategy in public

finance - along with the Ministry of Administration and Interior, responsible for carrying out fiscal decentralization process, providing technical support at the technical and inter-ministerial working groups on financial issues, specific process of decentralization; it had an important role in supporting financial measures regarding the civil service reform.

- **General Secretariat of the Government**, through the Public Policy Unit - strengthening Government capacity for coordination of public policy formulation, implementation and monitoring of public policies and ensure the interface between the various institutions role in formulating public policies.
- In the public administration reform, an important role was played by the **Ministry of Administration and Interior** (renamed for a short period of time the Ministry of Interior and Administrative Reform - MIRA), through its special structure - the Central Unit for Public Administration Reform (CUPAR). CUPAR was created in 2002 and is divided into two departments (Modernization and Decentralization) and Monitoring Service. Its mission is to coordinate the reform process in public administration by proposing instruments, mechanisms and procedures of the new public management to be implemented at the central government and local authorities, to meet citizens' needs.

At the Ministry of Administration and Interior level following are involved in the reform process:

- *The Central Unit for Public Administration Reform*, a structure within the ministry which provides technical support and monitor the reform process and progress of the decentralization and deconcentration; together with the Public Policy Unit, constitute the Secretariat of Government Council, and puts its decisions into execution;
- *National Institute for Administration*, develops and ensures implementation of civil servants' training; it is a training school of excellence addressed to public officials; coordinates the network of training regional centers for local government, and dissemination support within partners network;
- *The National Agency of Civil Servants*, responsible for managing the civil service;
- *The Groups for monitoring public administration reform* from counties and ministries, coordinated by the Central Unit for Public Administration Reform.

Since its establishment, by Governmental Decision, No. 134/2002, CUPAR' primary mission was development and implementation of strategies, projects and tools serving the public administration

authorities in their development so in order to achieve standards of operation from the Member States of the European Union, with the ultimate goal to deliver quality services, close to citizen satisfaction, which is the main beneficiary of all actions delivered by administration. In this context, CUPAR developed two main types of action:

- on the one hand, the coordination of the decentralization process, and
- on the other hand the process of modernizing public administration.

3. REFORM' INSTITUTIONAL FRAMEWORK IN A NEW VISION

The need for political commitment and structural positioning of reform' determinant factors are crucial to ensuring the effectiveness of public administration reform, to demonstrate commitment to strengthening and reform of all governmental levels.

In this context it is obvious that reform should be lead by the Prime Minister Apparatus, since the authority of this institution could guarantee the change (Profiroiu, 2008).

The Reform Strategy Unit

A Unit should be created within the Prime Minister Apparatus, for ensuring the authority needed for producing reform. This unit should not be very extensive, but must have the resources - legal, financial, technical and administrative - to ensure the necessary support for its activity. This unit will be called *Reform Strategy Unit (RSU)*.

RSU role will be to develop and coordinate with various stakeholders of public policies and strategies needed for reform, defining indicators, monitoring and evaluating the reform. RSU should report to Direction of Public Managers (DPM) the changes and responsibilities, resources, rules and objectives. RSU will also provide necessary incentives and monitor functions. It is vital that RSU have a technical, non-political, small, be flexible and work with celerity.

RSU will need a range of facilities and resources in order to engage in dialogue with the players on the national and international stage, to ensure information flows and to maintain contact with the processes of public policy at the highest level. RSU should become an important, effective, and elitist. For this reason, the executive leadership should not be involved politically RSU and must be carefully selected. Managerial skills and excellent communication and relevant experience and capacity analysis should be minimum requirement. Nature of political involvement is at the discretion of DPM, but recommends a

minimum involvement. RSU should promote the image of a professional organization, technocrat and merit-oriented system.

General Managers

To lead and direct change management it is needed a body of general managers (GM), which constitute the main group of agents of change and should have the authority and resources to act at all levels and in all government institutions.

General Managers should be grouped in two categories:

- The first category includes **High Civil Servants** body (HCS). HCS is already a distinctive group within the civil service, but is constrained by conservative traditions, in terms of role, development, training, mobility, attitudes and regulations. HCS should develop a strategy to transform this group into a class of high-level management, able to lead public administration reform in Romania and to communicate on the same level with its partners in the European Union. This body should be characterized by a professional statute and not politically involved, the political interventions being eliminated.
- The second group of the body is the General Manager of **Public Managers** (PM)⁶. Public Managers must be regarded as the recruitment source for the following generations of HCS. The first years of career Public Managers should be better managed through tools for career development such as mentoring, training courses, mobility designed to enrich the experience and to strengthen the capacity to assume leadership roles in the future.

The Department for General Managers

Formal structural links between RSU and general managers' body will be realized through the *department of human resources management for general managers*, in direct subordination to the RSU. This department will be called the Department for General Manager (DGM) and will be an integral part of the reform process, becoming a model of best practice in human resources management, able to develop a complex range of skills and managerial skills. Relevant aspects of the methods used in this department could be used later, after testing and redefining even civil service positions, in general.

⁶ Currently, public managers can achieve this status through the Young Professionals Scheme or the Romanian Government Scholarship Program. It appears that these programs and others will continue to further develop a professional corps of public managers (PM). So in this study, public managers are not only graduates of the YPS.

DGM should have important functions related to general management leadership. A special importance should be given to all general managers operating in the formal work at the level of RSU / DGM, to facilitate mobility within the governmental institutions, career planning and increase their visibility as agents of change. This structure is intended to be dedicated for public managers. There is the possibility of an opposition event from HCS and the government institutions, therefore DGM viability should be carefully evaluated.

DGM activities should include employment planning, defining procedures for the recruitment and selection, performance evaluation, training in career assessment and the professional development needs of GM. GM' career development will be a particularly important activity for DGM, because it will have to ensure a systematic process of promotion planning. Some of these functions (especially those dedicated to PM) is already outside standard rules applicable to public functions and in general should continue this trend.

Strong links between RSU and GM will bring benefits to both parties. RSU, through DPM, will create a plan for the development and promotion of civil servants, thus contributing to the development of a stable group of high-level administrators, who will have the skills, versatility and authority to implement the reform initiatives, with government support. General Managers would benefit from such guidance, support and career development planning, introduced by DMG through RSU. Status of a body of high-level administrators should be gradually strengthened. In exchange, GM would have to USR a kind of "antenna" - a source of reliable feedback on the reform process, the challenges encountered by the general managers and new ideas for the future-in the sense of upward flow (top down) of information on the structures involved in the reform process.

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The reason for separation DGM classical function of human resources management functions dedicated for civil service is that DGM is an agent of change, focused on innovation and on finding the most appropriate HRM methods and models for the higher levels of public administration. For this reason, DGM is expected to become an institution essential to the development of high standards, while providing adequate technical assistance. It follows therefore that the argument from HCS transfer to RSU / DPM is solid and fundamented.

Development Directors

To facilitate the connection between DGM and public managers, a person from HSC or similar rank should be appointed at each institution that has specific responsibilities regarding the development and coordination of public managers. This person should be named Development Director (DD). Therefore a communication channel will be created between the DGM and DD from each institution and then to the PM. Over time, the group will define DD as an important network of expertise, concerned with development strategies and network planning support for the promotion and development staff. This organizational structure is shown in Figure 1.

Assessing development and training needs for General Managers is one of the responsibilities of DGM, but implies the involvement of RSU to identify medium and long term development needs of civil service management, and collaboration with Development Directors, who are familiar with the work of PM from institutions in which they operate. For example, management of IT developers requires a high-level expertise, which usually is not at the level of government, which means that GM must follow training courses in the private sector and at international level. It results that not all training needs can be met by education centers in public administration, such as National Institute for Administration (NIA), and in respect of the GM, it is necessary to identify a more diverse range of options for training and professional development. The solution to these problems is presented in the form of a Unit for General Managers' Training, depicted in Figure 2, indicating that details of the organization, financing and management needs of training and human resources development will be in place by RSU and DMG.

4. ORGANIZATIONAL STRUCTURE OF REFORM STRATEGY UNIT AND ITS ROLE IN THE MANAGEMENT REFORM

Reform Strategy Unit should have three subsidiaries, which incorporates specialized functions similar to those exercised by DGM, including legislative reform, reform of audit and financial reform. Subsidiary units will carry out work in close collaboration, since their fields of interest overlap. Further, each unit is described briefly.

Group for Legislation and Regulations Reform

Group on Reform Legislation and Regulations (GLRR) will review the entire legislative and regulatory public administration, namely: procedures, the applicable regulations, the level of detail, the various rules, etc. The aim is to simplify procedures and regulations, without prejudice to the integrity of the legal framework. GLRR should be located at the same level with the RSU, which would allow it to make

proposals on regulations and procedures that will be submitted by RSU and the other units involved in the reform process. This is necessary because the number of rules will potentially be very high, and the process of prioritization and coordination should be carefully reviewed. There will be necessary to develop strong links with other ministries (e.g. Ministry of Justice) or agencies, to ensure quality of work carried out.

Group for Audit Reform

Group for Audit Reform (GAR) will have as its main objective review on the functions of monitoring, control and audit in public administration. The aim is the evaluation of control activities, in terms of benefits to the provision of services, including service quality, cost-effectiveness criteria for reproduction outputs. The work of this group will be linked to activity GLRR, GFIR, Ministry of Finance, Ministry of Justice, so a good collaboration between these entities is essential.

Group for Financial Information Reform

Group for Financial Information Reform (GFIR) will focus on form and content of all financial information necessary to managers in public administration. The emphasis will fall on managerial documents and less on accounting documents, aiming at improving the quality of planning decision making, public policies, strategies, impact analysis and ex-post evaluation of services provided and of implemented projects. To ensure cost effectiveness and compliance with mandatory procedures, GFIR should work with GAR, respectively GLRR. GFIR should also cooperate with the Ministry of Finance and the agencies under its supervision.

Structure is shown in Figure 3.

All the entities referred to this point will be involved in change management and represents the core group of change agents.

Based on the model of integrated development organizations can identify four factors blocking the reform (Bartoli, 1994) :

- *strategical* - the complexity of decision-making;
- *structural* - bureaucracy any specific system, human and financial means limited size and complexity;
- *cultural* - the fear of risk, the tradition of "continuity" change mentality;
- *behavioral* - the absence of individual incentives, goals misunderstanding final de-motivation

and frustration, waiting behaviors.

A key responsibility of the Reform Strategy Unit will be the creation of mechanisms for critical analysis, such that they will represent a fundamental element for the sustainability of the reform process. RSU will provide inception incentives in order to ensure a strong debut and assistance during the reform process. These aspects will constitute a critical analysis of current practices, the support from ministries, agencies, prefectures, local councils and city halls being needed for evaluating the services provided and how the authorities intend to meet the needs of the public.

Each institution will have to examine why and how they work, setting more precise targets, and more oriented to the needs of citizens. RSU will conceive, assist and coordinate this process, which will need adequate resources, especially capable human resources.

RSU' activity will evolve over time, with increasing needs and completion of activities originally planned, or will be delegated to agencies to continue efforts begun. However, RSU will need more resources than those previously required for subsequent initiatives. To implement the strategies elaborated by RSU will be created an entity called Reform Implementation Unit (RIU).

RIU will be subordinated to RUS, but will work alongside other new structures located at the General Secretariat of the Government, upon the Government. Other entities that are involved in implementing reform, but are not part of the hard core of change agents are:

- Public Policy Unit, which is already functional.
- National Institute for Administration (NIA) will continue to be the main supplier of training courses for civil service managers. Instead, general managers will benefit from various training programs (to be designed by the Unit for General Managers Training).
- A new Agency for Civil Servants (ACS) should be created, responsible for the HRM function for leadership and execution civil servants, with the exception of general managers. ACS is meant to be a completely new entity, able to introduce a new set of management methods appropriate modern public functions. Some of these methods will be designed by DGM, others will be developed even by ACS, and others will be taken from other EU Member States, as a result of study visits for exchange of know-how. ACS will remedies disruption within preview National Agency of Civil Servants (NACS) and should not be considered a direct successor of the latter.
- The managers of RIU, NIA, and ACS should not be politically involved.

In conclusion, we can say that an important aspect of public administration reform is the reform of the management in its application. An important risk in the implementation of public administration reform is agglomeration with daily tasks, thus leaving little time to search for new solutions for the encountered disruptions. Consequently, for the public administration reform success it is necessary that a large number of target groups (in particular the key people at managerial and decision levels) to express their support and commitment in recognition of the need for change and for implementing these changes.

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Reform Strategy Unit, Department for General Managers, Development Directors

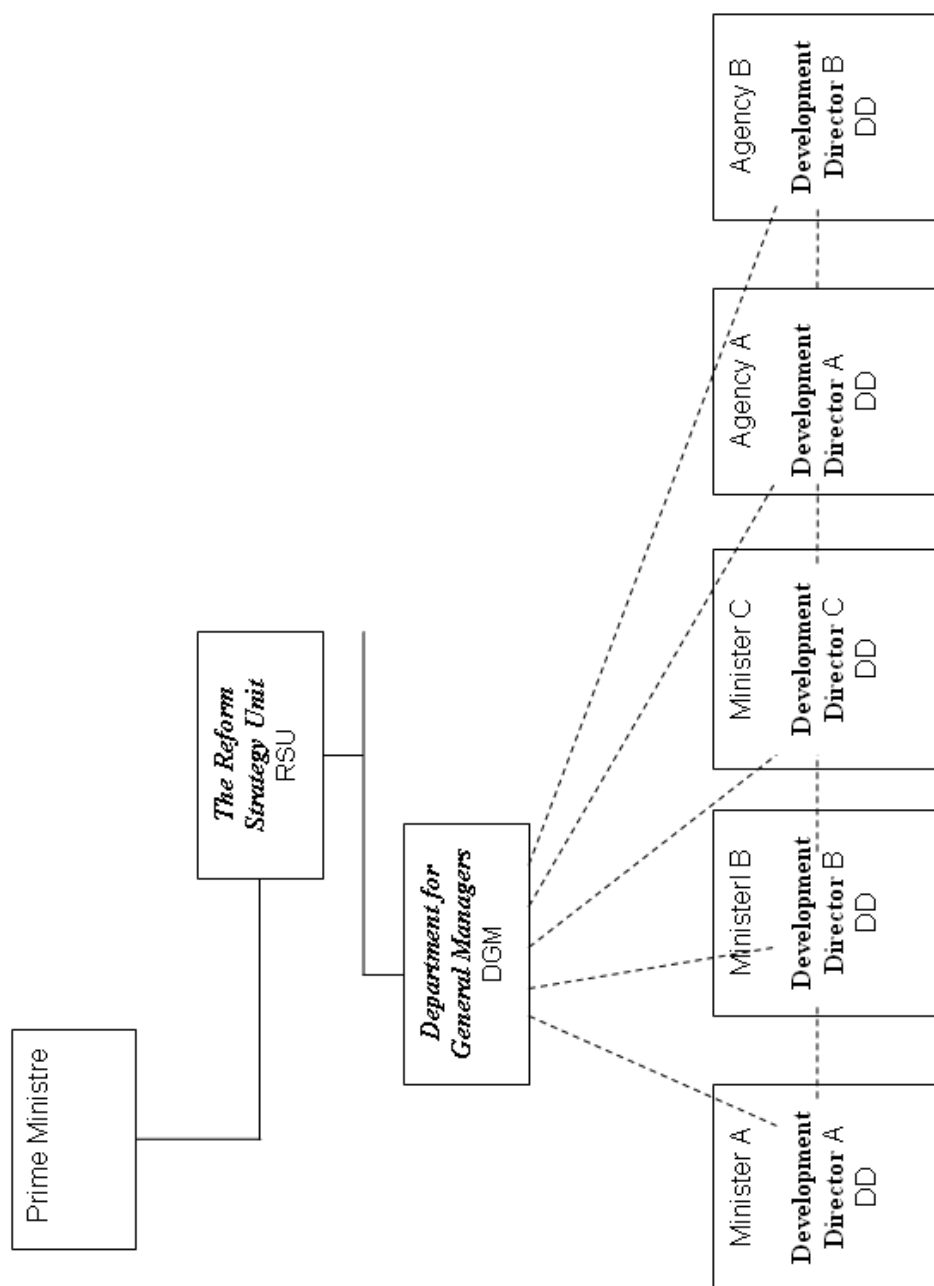


FIGURE 1

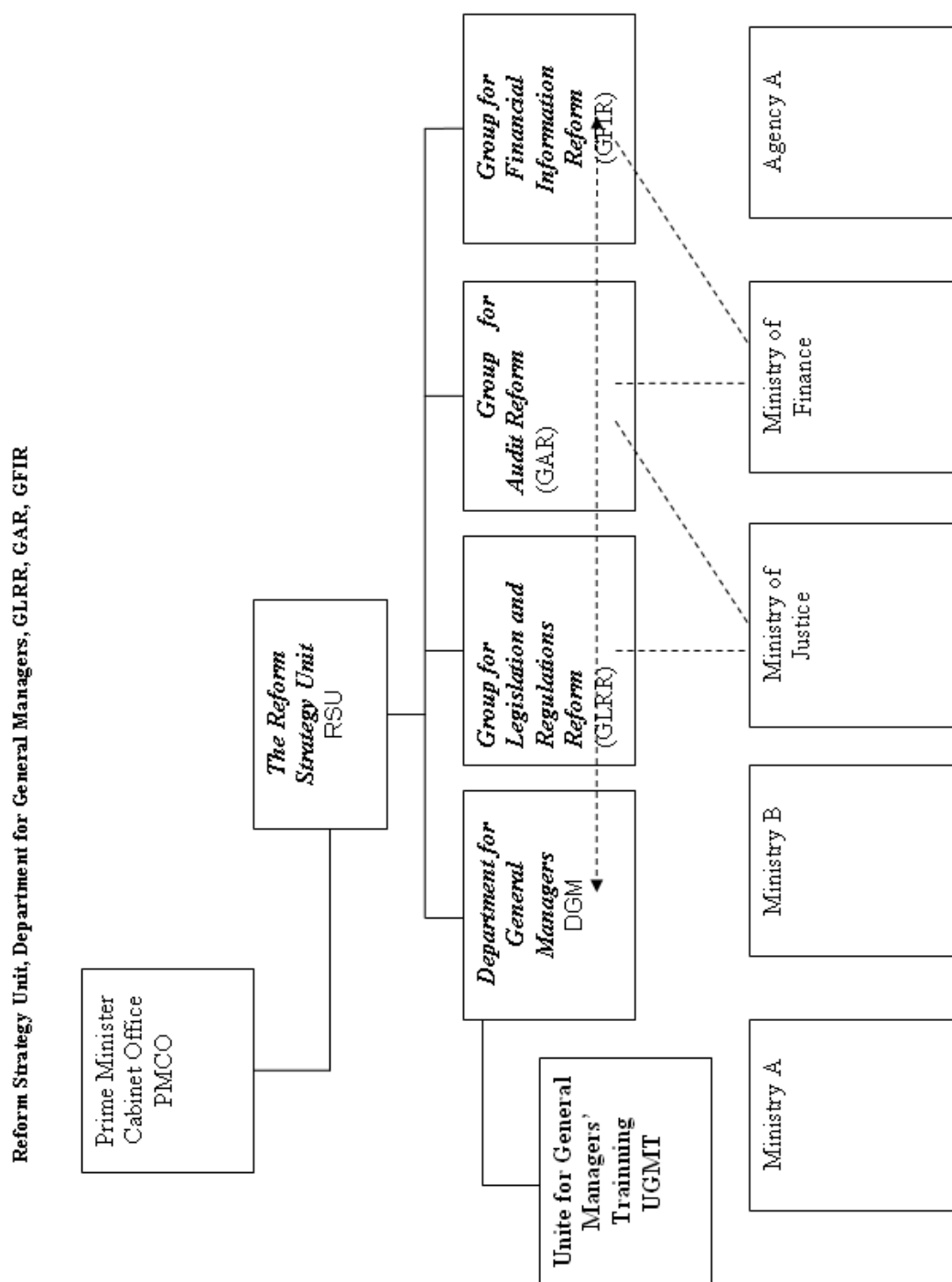


FIGURE 2

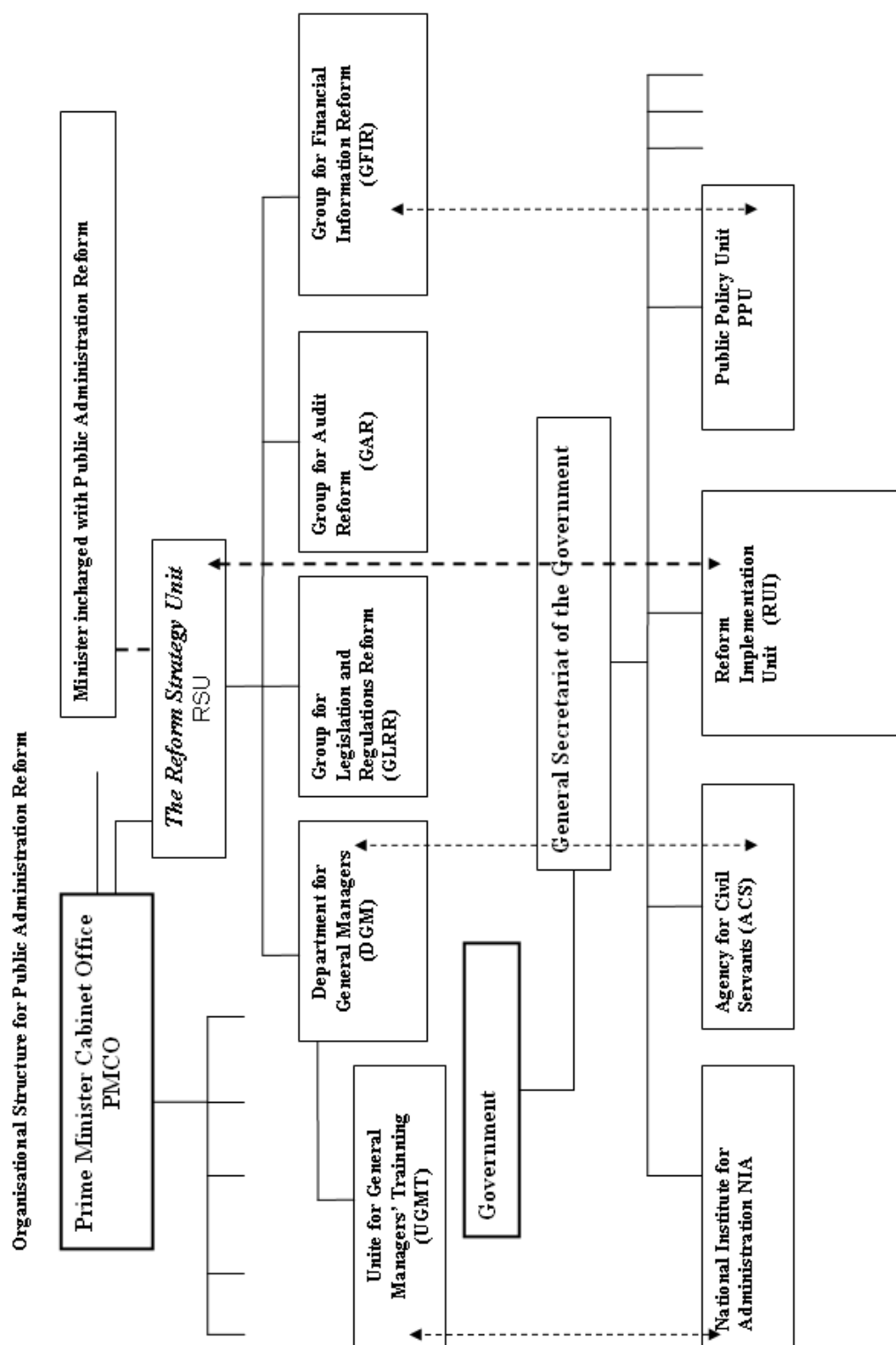


FIGURE 3